



SHENG SIONG GROUP LTD.
(Company Registration Number: 201023989Z)
(Incorporated in the Republic of Singapore)
(the "Company")

**Purchase Of the Property At 1 Jalan Berseh #B1-02 To #B1-22 New World Centre
Singapore 209037**

1. INTRODUCTION

The Board of Directors of Sheng Siong Group Ltd. (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that the Company's wholly-owned subsidiary, Sheng Siong Supermarket Pte Ltd (the "**Purchaser**"), has entered into a conditional sale and purchase agreement ("**SPA**") with Sino Holdings (S'pore) Pte. Ltd. (the "**Vendor**"), a wholly-owned subsidiary of TA Corporation Ltd, a public company listed on the Mainboard of the SGX-ST, on 30 July 2021 to purchase the commercial premises (the "**Property**") situated at 1 Jalan Berseh #B1-02 to #B1-22 New World Centre Singapore 209037 (the "**Proposed Acquisition**") for an aggregate consideration of S\$17,250,000.00 (the "**Consideration**").

The Property comprises a strata-titled shop unit located on basement 1 of a 3-storey commercial building with 2 basements known as New World Centre. The Property has a strata floor area of approximately 1,790 square metres, with a leasehold tenure of 99 years commencing from 31 March 1994.

2. CONSIDERATION

The Consideration was arrived at on a willing-buyer, willing-seller basis, taking into consideration, *inter alia*, the value of the Property, and the rationale for the Proposed Acquisition as described in paragraph 4 below, and will be funded by internal funds.

As at the date of this announcement a deposit of S\$1.725 million, representing 10% of the Consideration, was paid. The remaining 90% of the Consideration is payable by cashier's order to the Vendor upon Completion after adjustments to reflect any apportionment of land rent, property tax, expenses, outgoings and levies, rents and profits payable by the Company, on Completion.

3. TERMS OF THE SPA

3.1 Conditions

The Proposed Acquisition is subject to, *inter alia*, satisfaction of the following conditions:

- (i) the approval of Shareholders of the Vendor being obtained at an extraordinary general meeting to be convened for approving the SPA ("**Shareholders' Approval**"); and

- (ii) the Purchaser's solicitors having received satisfactory replies to the usual legal requisitions and applications for interpretation plans sent to the various relevant government departments and Mass Rapid Transit Corporation.

The Vendor shall refund the Deposit (free of interest) to the Purchaser upon the occurrence of any of the following events:

- (iii) if the Shareholders' Approval of the Vendor cannot be obtained by the date falling on the expiry of three (3) months after the date of the SPA (or such later date as may be mutually agreed between the parties) resulting in termination of the SPA by the Vendor; or
- (iv) if any of such replies and/or interpretation plans in paragraph 3.1(ii) above are found to be unsatisfactory to the Purchaser's solicitors resulting in termination of the SPA by the Purchaser.

3.2 Completion

Completion shall take place on a date falling on the expiry of three (3) months from the date of the SPA or such other date as may be mutually agreed between Vendor and the Purchaser.

4. RATIONALE

The Board of Directors of the Company is of the view that the Proposed Acquisition is in the Group's best interests as the Property is currently leased by the Purchaser under the tenancy agreement entered into between the Purchaser and Vendor. Upon the completion of the Proposed Acquisition, the said tenancy agreement shall cease.

The Property is proximity to the historic district of Little India and Jalan Besar MRT Station. It is also easy access to highways such as Nicoll Highway, Central Expressway, (CTE), East Coast Parkway (ECP), Kallang Paya Lebar Expressway (KPE) and public transportation.

5. NON-DISCLOSABLE TRANSACTION

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual do not exceed 5%. Accordingly, the Proposed Acquisition constitutes a non-disclosable transaction under Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors, controlling or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition.

7. FURTHER ANNOUNCEMENTS

The Company will make further announcements in relation to the Proposed Acquisition as and when there are material developments.

8. FINANCIAL IMPACT

The Proposed Acquisition is not expected to have any significant impact on the Group's financial performance for the current financial year.

9. DOCUMENTS FOR INSPECTION

A copy of the SPA and valuation report issued by Jones Lang LaSalle will be made available for inspection during normal business hours at the registered office of the Company for a period of three (3) months from the date of this Announcement.

By Order of the Board

Lim Hock Chee
Chief Executive Officer

30 July 2021